## IN THE CLAIMS

Please amend the claims as follows.

- 1. (Currently Amended) A method for providing incentive comprising:
  - storing predetermined goal data for creating a hierarchy of participant performance levels defined by a program sponsor, including a minimum threshold level of performance, each successive performance level above the minimum threshold level of performance defining a higher degree of achievement than the previous performance level;
  - associating at least one reward with achievement of each specific level of performance, such that the participant's reward for achieving each performance level above the minimum threshold level is of greater value than the reward associated with a participant achieving the previous lower performance level;
  - □ requiring each participant to select a specific level of performance to be achieved
    by the participant from the hierarchy of sponsor-defined levels of performance;
  - \*each of a plurality of participants, the goal data including at least one minimum threshold level of performance selected by a participant from a plurality of performance levels provided by a program sponsor, wherein the predetermined goal data further comprises an identification of one of the at least one minimum threshold level of performance as a desired level of performance;
  - storing <u>actual</u>historical performance data of <u>eachthe plurality of</u> participants;
  - comparing the <u>actual historical</u> performance data <u>of the participant</u> to the <u>selected</u> <u>performance level predetermined goal datacriteria</u>, and generating in a computer a result indicating <u>whether the participant achieved the participant</u>'s <u>selected level</u> <u>of performance the extent to which historical performance data satisfies the predetermined goal data</u>; and
  - granting to the participant the reward associated with the participant's selected level of performance only if the participant achieved at least the participant selected level of performancetransmitting the result to at least one destination.

## 2-5. (Canceled)

6. (Currently Amended) The method of claim [4]1, wherein a participant only receives the a reward associated with the selected level of performance even if the participant achieves a higher level of performance than the selected level of performance reward data is provided only upon determining the satisfaction of the minimum threshold level of performance.

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- 7-23. (Canceled)
- 24. (Currently Amended) The method of claim 1, further comprising:
  - modifying the <u>sponsor-defined</u> <u>predetermined</u> <u>levels of performancegoal data</u> using the <u>actual</u> <u>historical</u> performance data of the participant.

25-40. (Canceled)

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